USDA Foreign Agricultural Service
GAIN Report
Global Agriculture Information Network
Template Version 2.09

Required Report - public distribution

Date: 9/15/2004

GAIN Report Number: CH4033

China, Peoples Republic of

Fresh Deciduous Fruit

Annual

2004

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Report Highlights:
China, the world's largest producer and consumer of apples, pears, and grapes, accounts for 50% of world apple production, 65% of world pear production, and 40% of world table grape production. Year 2004 apple production should be lower, at 20.2 MMT, following last year's peak in the production cycle, while pear and grape volumes should increase to 10.2 MMT and 5.6 MMT on expanded planting and better yields. CAJ production is also higher, at 560 KMT, on expanded capacity and high world demand. Traded volume in relation to production is relatively small yet growing fast. Fruit imports by dollar value increased over the past year while overall volumes decreased. Exports continue fast growth as prices, although rising, remain low compared to other suppliers, new markets open, and quality improves. CAJ exports continue booming and account for 90% of production use. Recently issued fruit entry requirements could impact trade of all deciduous fruit, especially re-exports from Hong Kong to China.

Includes PSD Changes: Yes
Includes Trade Matrix: Yes
Unscheduled Report
Beijing [CH1]
[CH]

Table 0f Contents

Executive Summary

China is the world's largest producer and consumer of apples, pears, and grapes accounting for approximately 50% of world apple production, 65% of world pear production and 40% of world table grape production. Yet traded volume in relation to production is relatively small but is growing. In 2003, China exported approximately 3% of its apples, 3% of its pears, and 0.3% of its grape production. In contrast, the United States exported 13% of its apples, 19% of its pears, and 40% of its table grapes in 2003.

Chinese agricultural officials are encouraging growers to improve competitiveness so that fruit can be available over a longer period of time, be of better quality (with respect to appearance, taste, and food safety aspects) and consist of more desirable and commercial cultivars demanded on the world market. Growers appear to be taking these encouragements to heart: the trend for the past few years has been the growth of large-scale, integrated commercial packinghouses and trading enterprises, some of which are foreign invested, that contract with growers to produce certain cultivars and manage orchards and inputs so as to supply better quality and more desirable fruit.

This consolidation and quality improvement trend has made fruit exports and sourcing for nationwide domestic retailers more convenient, as production scales are larger, cost efficiencies better, and fruit quality, size and appearance more uniform. In the coming years, industry sources expect increasing sales to foreign markets with stringent food safety standards and fussier consumers. Nevertheless, a large number of fruit traders who handle lower quality and lower priced fruits still compete aggressively for export markets. This sector of the trade does not maintain such strict phytosanitary requirements, and its customers have lower incomes and are not as demanding.

China's juice production capacity has grown rapidly in recent years with significant new plant construction and improvement of existing facilities. Concentrated apple juice (CAJ) manufacturers are facing greater domestic competition for low cost apples as capacity grows and as domestic fresh fruit quality improves and fresh fruit export markets grow. CAJ manufacturers had been able to rely on abundant low-cost low-grade fruit, but most manufacturers are now turning to slightly better grade apples. Although not widespread, a few of the larger integrated companies are beginning to plant cultivars specifically for processing, e.g. high-sour apples for juicing. CAJ exports remain strong and still account for nearly 90 percent of production, yet domestic consumption of juices and juice drinks keeps rising as well.

Although China continues to import U.S. deciduous fruit, an increasing share of trade enters from the Southern hemisphere during periods when it can arrive fresh and not compete with domestic product. Industry sources report that Northern hemisphere fruit still arrives, but is typically imported only when it does not compete with domestic fruit, when prices are lower than Southern hemisphere fruit, or during Chinese festivals and holidays. Importers still seek competitive prices, but growing consumption and sophisticated marketing of domestic and imported fresh fruits means more consumers are more willing to pay higher prices. Ministry of Agriculture (MOA) wholesale market information indicates fruit prices increased over the past year. However, this may only reflect the sharp price jump for the entire food basket price.

China's agriculture policy reforms target increased and altered production, improved food safety, and expanded trade. Furthermore, early in the year the central government called for reducing or eliminating agricultural taxes and the specialty agricultural product tax (which includes deciduous fruit) in order to stimulate rural income growth. Implementing the plan is difficult because of the many levels of government involved, each of which has a different interpretation and perspective on the issue. As of late July, fruit growers in Shandong had not heard about the decision and expected to pay taxes after harvest.

Recently drafted pesticide maximum residue limits (MRL's) apply to both domestic and imported fruit. In December 2003, USDA provided comments to the State General Administration for Quality Supervision, Inspection, and Quarantine (AQSIQ) and the Ministry of Commerce (MOFCOM) stressing concern with grape product MRL's. Further, the USDA provided AQSIQ and MOFCOM comments on the recently issued revised fruit entry measures, which include logistical, sanitary and phytosanitary rules. According to trade sources, the proposed measures may push fruit prices higher for goods transiting Hong Kong while simultaneously reduce illegal trade. Expanded direct trade to China may result and possibly a more equitable and competitive marketplace for both high-quality domestic fruit and imported fruit may result.

Production

Apple, Pear, and Grape Production, Area, and Primary Cultivars

Post estimates 2004 apple production will be 20.2 million metric tons (MMT), pear production 10.2 MMT, and grape production 5.6 MMT. These estimates are slight changes from 2003 deciduous fruit production as apple acreage reductions seem to have abated, new pear plantings remain flat, and the rate of grape planting expansion has slowed. Further, weather across the growing areas has been favorable, input costs remain unchanged, fruit prices, although higher, did not climb as much as other agricultural products, and orchards and vineyards matured to fuller yields.

According to China's National State Statistics Bureau (SSB) and MOA's "Statistical Report," calendar year (CY), 2003 apple production was 21.1 MMT on 1.9 million hectares (MHa), pear production was 9.8 MMT over 1.1 MHa and grape production was 5.2 MMT on 0.4 MHa. Last year was a high year in the apple production cycle and broke the pattern of falling apple production volumes that had occurred in the previous five years. Commercial orchards and growers are choosing to top-graft apple and pear trees to alternate cultivars rather than uproot and replant entire trees.

The UN Food and Agriculture Organization (FAO) estimates for 2003 apple production coincide with Chinese government figures. The FAO estimates 2003 apple production at 20 MMT, pear production at 9.4 MMT and grape production at 3.9 MMT. Post's (FAS China) previous estimates for pear and grape planting acreage and production coincided with MOA and the SSB (see GAIN report CH3121). Our original forecast for apple production, however, was lower than MOA and SSB data as production in Shandong and Shaanxi proved better than originally anticipated.

During 2003, Red Fuji apples accounted for approximately 61% or 12.8 MMT of the 21.1 MMT apple harvest. Rallus Janet apples amounted to roughly 7% or 1.5 MMT. As for the 9.8 MMT 2003 pear harvest, Ya Pears amounted to 2.2 MMT (22% of total harvest) and Snow Pears amounted to 1.7 MMT (17% of total harvest). In 2002, the Red Fuji and Rallus Janet accounted for 57% and 7.5% of apple production respectively while Ya and Snow Pears accounted for 23% and 20% respectively. Expectations are similar for 2004.

MOA does not provide detailed grape variety production. Table grapes like Kyoho (JuFeng), Globe, and Muscat are common, but nearly all production in Xinjiang, the largest grape producing province, has been the green oblong, and seedless Thompson-like Ma Nai ("Cow's Nipple"), that is dried for raisins, as well as smaller, rounder, green seedless grapes that are consumed fresh. Expansion of the wine industry is a substantial driving force for new plantings in Hebei, Shandong, and Liaoning, including Chardonnay, Sauvignon, Cabernet, Merlot and Pinot Noir.

China's primary deciduous fruit production regions are the provinces around the Bohai Gulf, the Northwest Loess Plateau, and the northern portion of the Yellow River Basin. (See Historical Production Tables as well as ATO Map Section of this report). Apple production is concentrated in a few provinces: Shandong, Shaanxi, Henan, Hebei, Shanxi, Liaoning and Gansu. These six provinces account for 86% of planted area and 90% of production. In 2003, Shaanxi apple planted area surpassed Shandong for the first time in China's modern history. Pear production is slightly more diverse, but concentrated in Hebei and Shandong; accounting for nearly 30% of area and 40% of production. Grape production is concentrated in Xinjiang, Hebei, Shandong, Liaoning, and Henan, which combined compose 63% of planted area and 69% of production.

Concentrated Apple Juice (CAJ)

Industry sources forecast 2004 CAJ production at 500,000 MT, up 10% from last year, as market demand remains strong and more processing facilities are constructed. Post estimates 2003 calendar year production exceeded 450,000 MT. CAJ is produced primarily in Shandong, Shaanxi and Henan. Some processing plants do not operate at full capacity due to the increased cost of raw materials. Juicing companies are no longer able so easily to source out-of-grade apples for processing, as orchard management improves and fewer out-of-grade apples are available. Companies now mainly use second grade apples for juicing, increasing the purchase price to around RMB 80 per ton. As a result, export prices also jumped an average US$60 per ton (see price table).

Last year, China's Chamber of Commerce began setting floor prices for exported CAJ to avoid countervailing measures from importing countries such as the United States. This year's FOB prices, adjusted every three months, are from August 1 and set at $630 per MT to Europe and $720 per MT to the United States. Sources report internal debate on curbing CAJ production to prevent China's share of world CAJ trade from increasing too fast.

Chinese CAJ processors are equipped with state-of-the-art facilities and benefit from cheap labor and raw materials, enabling their product to remain quality- and price-competitive. The greatest challenge facing the CAJ industry is that too rapid export growth may result in safeguard measures by importing countries, or that too few apples will be available for processing.

Juicing companies are contracting more high-sour apples dedicated to juicing. Industry sources estimate no less than 40,000 hectares of high-sour content apples have been planted and another 40,000 hectares are under way with completion projected within a few years. Sources indicate that some of the dedicated apple trees planted several years ago have started bearing fruit this year, but larger volumes will not be available for another three years.

China has limited production of other apple products such as jellies, sauces and additives. CAJ blending with other fruit/vegetable juices exists, but production of apple wine and vinegar is limited. Reports indicate some food manufacturers are using fructose derived from apples to replace cane sugar as a sweetener in processed foods.

Consumption

Climbing Fruit Purchases and Consumption in Urban Areas

Thanks to higher consumer income, improved distribution, and increased production, urban and rural consumption of fresh and dried fruits and melons has grown dramatically over the past several years, reaching 56.52 kilogram per urban household in 2002, up 37.5% from the 1990 levels of 41.11 kilograms. Fresh fruits and melons remain normal goods for Chinese consumers; even the lowest-income urban households consume an average 32 kilograms of fresh fruits and melons annually while the wealthiest households consume an average 75 kilograms/year. Per capita nationwide urban household expenditures on fresh fruits averaged RMB 168 amounting to 2.8% of living expenses and 7.4% of food expenses.

Expenditures on fruits and melons were highest in Beijing (RMB 313), Shanghai (RMB 295), Zhejiang (RMB232), Guangdong (RMB216) and Tianjin (215). The data may underrate Zhejiang and Guangdong, however, as these are large provinces with numerous cities where consumption might approach Beijing's level.

Buying Habits Shifting from Wet-Markets to Retail Hypermarkets

The supermarket/hypermarket revolution is sweeping the nation. Traditional fresh fruit and vegetable purchases at wet-markets are gradually shifting to clean, attractive, inexpensive fruits at modern retail outlets. Products range from locally sourced fruit, specialty fruits from other provinces, or imported fruits. Retailers and chain-stores are centralizing their purchases to obtain economies of scale, contracting production under prescribed growing conditions that will assure the desired fruit quality and uniformity or by contracting with integrated growing and packing facilities who are capable of supplying fruits at low cost due to their own improved and more economical integration. Although it is not yet the norm, a few specialty chain stores are also developing that sell only high-quality domestic and imported fruits and vegetables.

Consumer's Fruit Purchasing Preferences

The most widely consumed fruits are apples, pears, and grapes, along with bananas, citrus and melons. Easily pared large-sized apples and pears and grapes with loose skin appeal to most Chinese consumers, who nearly always avoid any fruit skins for sanitary reasons. Strongest consumer demand and highest price is immediately after harvest as new fruit crops enter the market. By and large most fruit consumption still occurs in its growing regions, but consumers increasingly are exposed to fruit from outside their province. Litchi and longan, for example, are widely distributed tropical fruits produced in South China but also now imported. Lower import tariffs from ASEAN countries (See Trade Section) have led to wider availability of tropical fruits like mango, rambutan, jackfruit and durian, which compete with deciduous fruits.

Regional Branding Impacting Consumer Purchases

Although individual company efforts are critical, Chinese grower associations at the provincial or local level help market fruits to domestic retailers, consumers, and even overseas markets through their participation in trade shows or through point of purchase. Most of these associations are regional and market fruits like Zhejiang Pears, Xinjiang "Fragrant" Pears, Yantai "Red Fuji Apples", etc. in the capacity of intermediaries between growers, government, and retailers. Some receive local government support; there is no formal central government provincial assistance.

Booming CAJ and Other Juice Drink Consumption

Fruit juice/drink consumption is surging at more than 40% each year in China, with production in 2003 surpassing 3 MMT. Annual per capital consumption of juice is still low at around one kilogram, but the number is expected to grow significantly in the next few years. Individual orange juice/drink dominates consumption. Apple juice, also widely consumed, is a key ingredient for many blended drinks and for the food industry. Currently, more than 90% of CAJ produced in China is for export. Domestic CAJ consumption is between 30,000-50,000 MT a year and growing fast. Housewives prefer 100% juice (including apple juice) while young people favor juice drinks (with juice content ranging from 10%-30%). Surveys indicate that consumers say juice drinks taste better. While juice drinks maintain the fastest growth rate, tea drinks and sports drinks (or functional drinks) witnessed robust growth in recent years, as well.

Trade

China revised and announced its Administrative Measure for Inspection, Quarantine, and Supervision for Fruit Entry on August 6, 2004 to the World Trade Organization (WTO). Post analysis of these measures is in the policy section of this report and in GAIN report CH4036, an unofficial translation of the measures.

Also on August 6, AQSIQ revised and posted on its website the eligibility list for imported fruit by country/region (CH4029). The United States, France, Japan, New Zealand, Chile and Australia can export certain apple varieties to China. The United States, Chile and New Zealand received approval for grape exports to China while pears from New Zealand and Japan also received approval. Nearly all imported deciduous fruit enters the country via ports in South China, much of it transshipped through Hong Kong. However, some traders express an interest in being able to import directly to northern ports, but they recognize it will depend on costs.

China's exports of fresh deciduous fruits are likely to continue the strong pace into the future as quality is better, access to export markets has improved and prices are competitive. China's apple industry hopes to increase exports from current levels to 1.25 MMT by 2008, which would account for nearly one-fourth of global apple trade. There is no official list of approved export destinations for Chinese deciduous fruits available, but as export statistics show, China has been successful in its negotiations with other countries to gain new access or expanded varieties access.

China and many of the ASEAN member nations have begun implementation of the "Early Harvest" program of their Free Trade Agreement, which slashed or eliminated tariffs on a variety of goods including fruit. Consequently China's exports of deciduous fruit and imports of many tropical fruits have risen rapidly. Most exported fresh fruits leave China from northern ports near production areas for neighboring countries like Russia or Southeast Asia, but access to new markets in Europe along with North and South America are being negotiated. Some Chinese exporters have partnerships with foreign investors.

Apple Imports Climb While Exports Jump Nearly 150 Percent

Sales of imported apples by value increased from MY03/04 while sales by volume fell. The United States, Chile and New Zealand remain the primary apple suppliers to China. From MY02/03 to MY 03/04, imports from the United States fell from 21.6 KMT to 18.5 KMT, but rose from $9.4 million to $14.4 million in value. At the same time, imports from Chile fell from 18.9 KMT to 11.9 KMT but rose from $9.1 million to $9.3 million in value. New Zealand origin apple imports fell from 10.6 KMT to 6.2 KMT and also fell in value, from $5.3 million to $4.5 million. Nearly 90 percent of China's apple imports enter the country through Shenzhen and Guangzhou ports (Guangdong Province). For the past several years, imports have been highest from April to June, but significant imports still take place from January to March and even from July through September.

MY03/04 apple exports grew to nearly $250 million, up sharply from MY02/03 exports of $173 million; with the largest portion ($97 million) from October through December and another large portion ($70 million) occurring from January to March. China's apple export season is slowly expanding as changing fruit cultivars allow for an extended harvest season and improved cold storage and controlled atmosphere storage development allows for fruit to be better-maintained over a longer period. Although principal export destinations remain Southeast Asia and Russia, increased apple exports to the EU (the Netherlands, Spain, the United Kingdom, Italy, and France) appear to be taking hold. Although China produces many apple cultivars across a number of provinces, exports primarily depart China from Qingdao in Shandong province (MY03/04 exports of $165 million). Traders indicate Fuji apples are the primary variety exported, but with more desirable cultivars and better infrastructure developing in the country, many expect to see exports increase from Liaoning and Shaanxi.

Pear Exports Maintain Stable Growth

China imports small volumes of pears (MY03/04 500 MT) compared to its annual production of over 9 MMT. Pear imports entering China are almost all from New Zealand and enter the country via Guangzhou or Shenzhen in South China from January to June.

China's pear exports did not expand as quickly as apple exports during MY03/04, but remain an important and growing segment of China's fruit trading industry. The suspension of exports to the United States and other countries following the December 2004 detection of *Alternaria* fungus in Ya Pears contributed to the slow growth. MY03/04 pear exports reached $85 million, up from MY02/03 exports of $69 million. The pear export season is primarily from September through December ($35 million in MY03/04), but it appears to be expanding slightly on both ends.

Primary destinations remain Southeast Asia and Russia. Ya and Fragrant Pear exports to Canada were strong, but stopped by a finding of *Alternaria*. The greatest export growth was to Indonesia; sales increased from $8 million to $17 million over the course of the year and should continue growing. A large portion of the export growth was in Fragrant Pears, and "Other" pears aside from Ya and Snow Flake Pears. Exports primarily leave China from the northern ports of Tianjin and Qingdao, but large increases from South China's port of Shenzhen appeared during the last year.

Southern Hemisphere Grapes Welcomed in China While Domestic Exports Expand
China's imports of grapes continue to grow, jumping from $32 million in CY2002 to over $41 million in CY2003 and reaching over $45 million through the first seven months of CY2004. The jump is due to expanded imports from Chile, the largest supplier by value and volume. Grape imports are strongest from April through June, but January to March is also a high demand season. Imports from Southern Hemisphere countries in the first half of the year will likely remain as China lacks domestic grapes at that time while Chinese holidays, like the Spring Festival, drive demand. Customs data indicates nearly 90 percent of grape imports entered China from ports in Shenzhen and Guangzhou.

Fresh grape exports surged from $276,000 dollars in CY2001 to over $5.8 million in CY2003 of which approximately $5.5 million occurred in the last half of the year. Exports for CY2004 appear strong, as the first seven months reported recorded exports to nearly twice the level of the first half 2003.

CAJ Export Prospects Remain Bright as World Demand Grows
Customs data indicates China exported a record 485,700 MT of CAJ in MY2003/04, a 30% increase, largely boosted by surging U.S. imports. MY03/04 Sales by value were $308 million, a 140 percent increase from the prior marketing year. The U.S. remained the largest importer of Chinese CAJ by volume and value. Japan, the EU, Russia, and Australia were among other major buyers of Chinese apple juice, with their import volume growing steadily. China already exported 315,875 MT of CAJ in the first seven months of 2004, an increase of 25% over the same period last year. Given increasing global CAJ demand, China, being the largest supplier, expects to export 450,000-460,000 MT of apple juice in CY2004.

U.S. CAJ imports from China reached 233,476 MT and $151 million in MY03/04, a figure almost double the previous year (121,938 MT and $79 million). Sources indicate fast growing demand for CAJ, lower U.S. domestic production and the February 2004 U.S. International Trade Commission (ITC) final ruling, eliminating countervailing duties, in favor of 10 Chinese CAJ processors spurred the large increase.

The little apple juice China imports is for blending purposes.

Stocks
Cold Storage Expansion Allows Better, Larger Inventory Throughout the Year
China does not maintain any data on fruit stocks. Traders and growers indicate strong growth of controlled atmosphere (CA) storage and cold storage space throughout the country over the past two years. As facilities expand and improve, the likelihood of better quality domestic fruit and better maintained imported fruit being available throughout the year is bound to grow. Although cold storage facility expansion should benefit high-quality fruit consumption and trade, most fruit never enters these facilities because of the cost.

Policy

Revised Entry Requirements for Fresh Fruit Likely to Impact and Impede Trade

China announced revised Administrative Measures for Inspection, Quarantine, and Supervision of its Entry Requirements for Fresh Fruits on August 6, 2004, with adoption on September 20 and enforcement from November 20, 2004. China notified the WTO (G/SPS/N/CHN/80) (see GAIN CH4036 for an UNOFFICIAL translation and analysis) with a comment period until September 15. The USDA provided comments to AQSIQ's Enquiry Point on September 14, but requested China allow a longer comment period, and noted the measures address logistical problems associated with imported commodities and not just phytosanitary or food safety risk posed by shipments. An unofficial translation of China's previous Administrative Measures for Fruit Entry is in GAIN report CH1058.

The measures require that importers receive a Quarantine Import Permit (QIP), valid for six months, before signing contracts. The measures require and suggest importers cite sanitary requirements in the QIP application and again in contracts. The scientific validity of the requirement remains in question as it is unimaginable to cite sanitary concerns before signing a contract and knowing from where (country/region) fruit imports will arrive. Therefore the concern is that the QIP may act as a de-facto import licensing mechanism. Additionally, the QIP requires importers to designate the port of entry thereby curtailing chances for diversion to other ports.

Other noteworthy changes in the Measures include additional inspection and certification requirements for fruit re-exported to China via Hong Kong, language that packaging and pallets carry markings designating China as the fruit destination, documentation on packinghouses and crop protection applications and a zero tolerance on dead leaves and branches in shipments. Industry sources grant the measures could impede some illegal trade and trade posing a legitimate health or phytosanitary risk, but expect the changes will also impede legal trade by pushing imported fruit prices higher with longer storage times and extra inspections. There is also concern that the required markings do not aid commodity trace back and prevent the possible re-export of fruit to other markets. And, the documentation on chemicals and zero tolerance for dead leaves and branches may be unreasonably restrictive.

Some domestic traders suggest the measures could encourage direct fruit trade to China and divert it from transiting Hong Kong. Others, however, believe the measures will merely alter the cost structure for trading through Hong Kong. One large domestic packinghouse applauds the measures citing the changes will make a more equitable market for high-quality domestic fruit to compete with imported fruit.

Drafted MRLs Designed to Improve Food Quality May Hurt Imports

In October 2003, China's National Notification Authority gave the WTO (G/SPS/N/CHN/30) drafted revisions for 136 pesticides (acaracides, fungicides, insecticides, and herbicides) MRLs of which, at least 50 are for apples, pears, and grapes. The U.S. California Table Grape Commission commented through the U.S. Embassy and the USDA FAS Office of Food Safety and Technical Services Division that proposed limits for Fenpropathrin, Glyphosate, Mancozeb, Metalaxyl, and Parathion were all lower than U.S. established MRLs. According to China's SPS Enquiry Point, the Measures are still in draft form, however; a final publication could become available in late September 2004.

Lower Tariff and VAT Rates for 2004 Imported Deciduous Fruits

China is in the last year of its scheduled tariff reductions that began with the nation's 2001 WTO accession. Effective tariff rates for 2004 fell by 6% for grapes and 4% for apples and pears when compared to 2003 rates. Although it is possible additional reductions may occur in the future, there is no schedule for their reductions at the present time.

Deciduous Fruit Import Tariff and VAT Rates for 2004				
HS Code	Description	2004		Effective
		Tariff	VAT	Rate
0806.10	Grapes, Fresh	13.0%	13.0%	27.7%
0808.10	Apples, Fresh	10.0%	13.0%	24.3%
0808.2012	Pears, Duck (Ya) or Snow (Hsueh), Fresh	12.0%	13.0%	26.6%
0808.2013	Pears, Fragrant (Xiang), Fresh	12.0%	13.0%	26.6%
0808.2019	Pears, Other, Fresh	10.0%	13.0%	24.3%
0808.2020	Quinces, Fresh	16.0%	13.0%	31.1%

Marketing

South China Key, but Eyes Turning North to Expanded Consumer Base

The largest percent of deciduous fruit arrives in South China, often re-exported from Hong Kong. Although most Hong Kong and South China fruit traders are well aware of the availability and variability of U.S. and other nation's fruit, U.S. traders and packinghouses should continue marketing fruits to traders in this key geographic area. At the same time, however, it will be increasingly important to reach buyers in to northern and central China as direct exports become more cost efficient, and rules for re-export certification in Hong Kong change.

Indications are that not only USDA Cooperator associations, but also other countries' fruit associations are targeting the large northern China markets of Shanghai, Beijing, and emerging city markets like Dalian. Exporters of U.S. deciduous fruits are advised to contact any of the three USDA China Agricultural Trade Offices (ATOs) and the USDA cooperator associations assisting with marketing U.S. fruits (see following page with China map).

Successful marketing tactics include association- or company-managed contests awarding prizes and gift packages to importers or vendors buying the largest volumes or values of fruit. Traditional methods include point-of-sale marketing, advertisements and flyers in newspapers for retail stores, and promotions at restaurants, shopping malls, stores, and public areas receiving large numbers of visitors.

Deciduous Fruit Production Photos
Shandong Apples, Hebei Pears, Xinjiang Grapes

Shandong Apples
Photo description (L-R): 1. New experimental bags on apples west of Yantai in late July 2004. 2. Unbagged apples in established Yantai orchard in late July 2004. 3. Conventional distribution of fruit to wholesale fruit markets in late January 2004. Apples are in bulk plastic bags inside the covered truck.

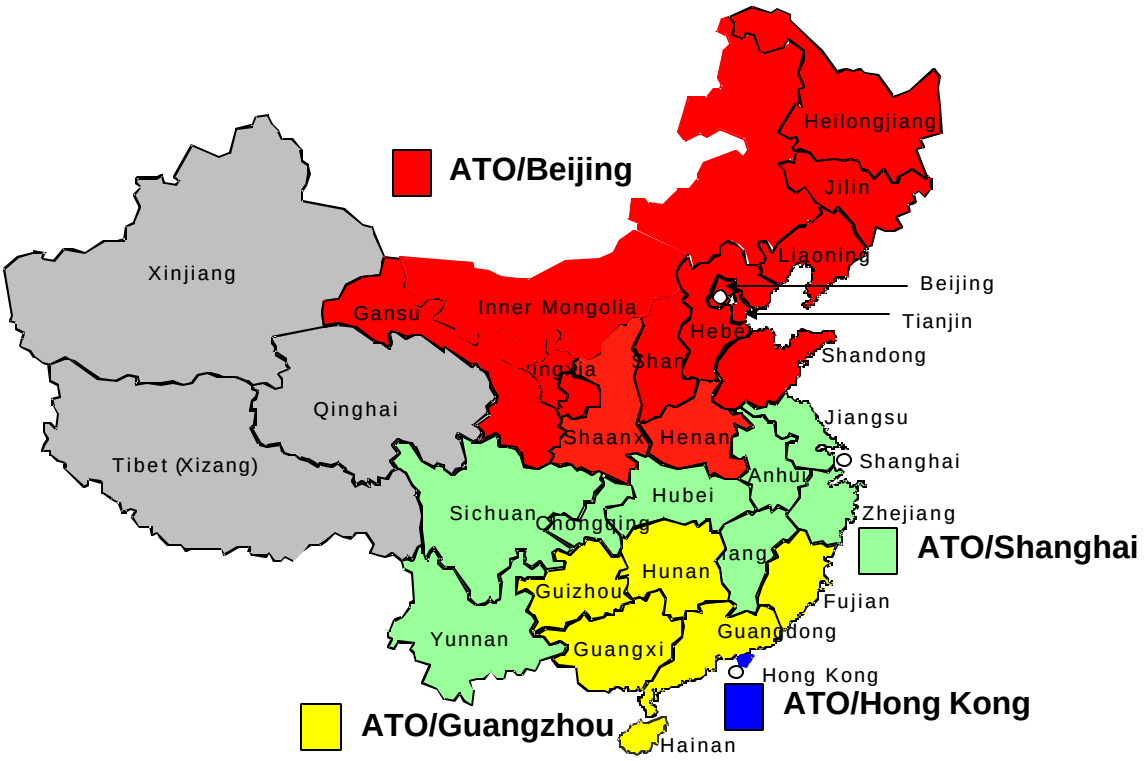
Hebei Pears
Photo description (L-R): 1. Integrated, commercial 5-8 year old Ya Pear orchard of integrated packinghouse in Baoding, Hebei in August 2004. 2. New Century Pears prior to fruit grading and post-harvest packaging in August 2004. 3. Factory inspection for pests and diseases within packinghouse supplying export and domestic markets in August 2004.

Xinjiang Grapes
Photo description (L-R): 1. Green seedless grapes grown at a state-owned orchard in Turpan, Xinjiang in August 2003. 2. Green seedless grapes and other fruit on display in Urumqi Wholesale market in August 2003.

China Map for USDA ATO Marketing Region and Production Areas

The following color-coded map of China indicates provinces and regions where USDA ATO's conduct market surveys and promotions. Chinese provinces shaded red are covered by ATO Beijing, while ATO Shanghai covers green provinces, and ATO Guangzhou covers the provinces shaded yellow. Provinces shaded gray are not covered by any ATO while Hong Kong, shaded blue, is covered by a separate ATO located in Hong Kong.

The map may be of general use, as well, for understanding provinces and cities mentioned in the production, consumption, and trade portions of this report. For reference, the Bohai Gulf area is principally Liaoning, Hebei, and Shandong. The Northwest Loess Plateau is Shanxi, Shaanxi, and Gansu. The Yellow River Basin is Henan, Anhui, and Jiangsu.



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Production, Supply, and Demand (PSD) Tables
Apples

PSD Table						
Country	China, Peoples Republic of					
Commodity	Apples, Fresh				(HA)(1000 TREES)(MT)	
	2002	Revised	2003	Estimate	2004	Forecast
	USDA Official [Old]	Post Estimate [New]	USDA Official [Old]	Post Estimate [New]	USDA Official [Old]	Post Estimate [New]
Market Year Begin		07/2002		07/2003		07/2004
Area Planted	1925000	1925000	1850000	1901000	0	1890000
Area Harvested	0	0	0	0	0	0
Bearing Trees	0	0	0	0	0	0
Non-Bearing Trees	0	0	0	0	0	0
Total Trees	0	0	0	0	0	0
Commercial Production	19241000	19241000	18500000	21000000	0	20200000
Non-Comm. Production	0	0	0	0	0	0
TOTAL Production	19241000	19241000	18500000	21000000	0	20200000
TOTAL Imports	51256	51256	53000	36853	0	45000
TOTAL SUPPLY	19292256	19292256	18553000	21036853	0	20245000
Domestic Fresh Consump	16492353	15892353	15153000	16528447	0	15295000
Exports, Fresh Only	499903	499903	600000	708406	0	850000
For Processing	2300000	2900000	2800000	3800000	0	4100000
Withdrawal From Market	0	0	0	0	0	0
TOTAL UTILIZATION	19292256	19292256	18553000	21036853	0	20245000

Industry sources estimate approximately 7 to 7.5 MT of fresh apples is needed to produce 1 MT of CAJ at 70/71 degrees Brix.

Apple Trade Matrix Tables

Import Trade Matrix			
Country	China, Peoples Republic of		
Commodity	Apples, Fresh		
Time Period	July-June	Units:	Metric Ton
Imports for:	2002		**2003**
U.S.	21655	U.S.	18517
Others		Others	
Chile	18894	Chile	11897
New Zealand	10643	New Zealand	6293
Vietnam	19	Vietnam	112
North Korea	0	North Korea	19
Japan	1	Japan	15
France	43	France	0
Taiwan	1	Taiwan	0
Total for Others	29601		18336
Others not Listed	0		0
Grand Total	51256		36853

Export Trade Matrix			
Country	China, Peoples Republic of		
Commodity	Apples, Fresh		
Time Period	July-June	Units:	Metric Ton
Exports for:	2002		**2003**
U.S.	0	U.S.	144
Others		Others	
Russia	95461	Russia	111670
Philippines	53145	Philippines	72640
Indonesia	42995	Indonesia	69364
Vietnam	63059	Vietnam	67476
Thailand	21462	Thailand	63071
Malaysia	34789	Malaysia	50007
Kazakhstan	25274	Kazakhstan	38097
Singapore	27161	Singapore	29789
Netherlands	10686	Netherlands	29396
Hong Kong	20378	Hong Kong	27532
Total for Others	394410		559042
Others not Listed	105493		149220
Grand Total	499903		708406

Apple Average National Chinese Export Price Table

Prices in the table below reflect average monthly Chinese export prices from all ports for all apple cultivars in the Harmonized Tariff System 080810.

Prices Table			
Country	China, Peoples Republic of		
Commodity	Apples, Fresh		
Prices in	US$ FOB China	per uom	Metric Ton
Year	2003	2004	% Change
Jan	340	350	3%
Feb	340	310	-9%
Mar	370	390	5%
Apr	400	390	-3%
May	430	430	0%
Jun	470	460	-2%
Jul	430	400	-7%
Aug	370	NA	
Sep	280	NA	
Oct	330	NA	
Nov	320	NA	
Dec	310	NA	
Date of Quote	8/25/2004		

Fuji Apple Wholesale Market and All Apple Export Price Comparison

The following table represents average wholesale market prices for Fuji Apples in different regions throughout China along with average export prices for all Apples throughout China and in the principle export location of Fuji Apples, Qingdao.

Regional Average Wholesale Market Prices for Fuji Apples in $ per Kilogram									
	2002	2002	2003	2003	2003	2003	2004	2004	2004
Region	Jul.-Sep.	Oct.-Dec.	Jan-Mar.	Apr.-Jun.	Jul.-Sep.	Oct.-Dec.	Jan.-Mar.	Apr.-Jun.	July-Aug.
Central	0.24	0.23	0.23	0.26	0.28	0.24	0.23	0.30	0.42
North	0.31	0.25	0.26	0.30	0.39	0.22	0.23	0.27	0.35
Northeast	0.42	0.26	0.35	0.37	0.40	0.29	0.30	0.34	0.33
South	0.51	0.34	0.42	0.39	0.48	0.39	0.35	0.42	0.49
Southwest	0.27	0.26	0.25	0.25	0.50	0.27	0.27	0.39	0.35
West	0.24	0.18	0.22	0.32	0.27	0.26	0.26	0.35	0.47
China Export*	0.31	0.33	0.35	0.42	0.34	0.32	0.35	0.41	NA
Qingdao Export*	0.38	0.47	0.52	0.57	0.45	0.40	0.45	0.52	NA
Source: MOA; Central: Shanghai, Jiangsu, Henan, Anhui, Zhejiang, Hubei, Shaanxi; North: Shanxi, Shandong, Tianjin, Inner Mongolia, Beijing, Hebei; Northeast: Liaoning, Heilongjiang, Jilin; South: Fujian, Hunan, Guangxi, Jiangxi, Guangdong, Hainan; Southwest: Guizhou, Yunnan, Sichuan, Chongqing; West: Gansu, Ningxia, Xinjiang, Tibet; * HS 080810 Does not distinguish variety									

Concentrated Apple Juice (CAJ)

PSD Table						
Country	China, Peoples Republic of					
Commodity	Apple Juice, Concentrated				(MT)	
	2002	Revised	2003	Estimate	2004	Forecast
	USDA Official [Old]	Post Estimate [New]	USDA Official [Old]	Post Estimate [New]	USDA Official [Old]	Post Estimate [New]
Market Year Begin		07/2002		07/2003		07/2004
Deliv. To Processors	2300000	2900000	2800000	3800000	0	4100000
Beginning Stocks	7000	7000	2392	2392	1392	1372
Production	395000	395000	495000	519000	0	565150
Imports	520	520	1000	679	0	900
TOTAL SUPPLY	402520	402520	498392	522071	1392	567422
Exports	370128	370128	462000	485699	0	527500
Domestic Consumption	30000	30000	35000	35000	0	38875
Ending Stocks	2392	2392	1392	1372	0	1047
TOTAL DISTRIBUTION	402520	402520	498392	522071	0	567422

CAJ Trade Matrix

Import Trade Matrix			
Country	China, Peoples Republic of		
Commodity	Apple Juice, Concentrated		
Time Period	Jul-Jun	Units:	MT
Imports for:	2002		**2003**
U.S.	14	U.S.	17
Others		Others	
Australia	302	Australia	263
South Korea	72	South Korea	106
China	33	Kyrgyzstan	94
Taiwan	26	Taiwan	78
Germany	22	Israel	32
Hungary	13	Hungary	25
Denmark	8	Spain	21
Netherlands	6	Japan	20
Turkey	6	Kazakhstan	17
Oman	5	Germany	6
Total for Others	493		662
Others not Listed	27		17
Grand Total	520		679

Export Trade Matrix			
Country	China, Peoples Republic of		
Commodity	Apple Juice, Concentrated		
Time Period	Jul-Jun	Units:	MT
Exports for:	2002		**2003**
U.S.	121938	U.S.	233476
Others		Others	
Russia	42730	Japan	45328
Netherlands	38716	Netherlands	41063
Japan	38111	Russia	38294
Germany	37763	Germany	33280
Australia	26328	Australia	25844
Canada	25026	Canada	24016
South Africa	6041	New Zealand	5246
U.K.	5015	U.K.	5028
New Zealand	3776	Israel	4916
Taiwan	2722	France	3777
Total for Others	226228		226792
Others not Listed	21962		25431
Grand Total	370128		485699

CAJ Average National Chinese Export Price Table

Prices Table			
Country	China, Peoples Republic of		
Commodity	Apple Juice, Concentrated		
Prices in	US$FOB China	per uom	Metric Ton
Year	2003	2004	% Change
Jan	580	630	9%
Feb	600	630	5%
Mar	600	650	8%
Apr	600	660	10%
May	600	650	8%
Jun	610	660	8%
Jul	610	670	10%
Aug	640	N/A	
Sep	620	N/A	
Oct	620	N/A	
Nov	610	N/A	
Dec	620	N/A	
Date of Quote	9/8/2004		

Pears

PSD Table						
Country	China, Peoples Republic of					
Commodity	Pears, Fresh				(HA)(1000 TREES)(MT)	
	2002	Revised	2003	Estimate	2004	Forecast
	USDA Official [Old]	Post Estimate [New]	USDA Official [Old]	Post Estimate [New]	USDA Official [Old]	Post Estimate [New]
Market Year Begin		07/2002		07/2003		07/2004
Area Planted	1050000	1050000	1100000	1061500	0	1070000
Area Harvested	0	0	0	0	0	0
Bearing Trees	0	0	0	0	0	0
Non-Bearing Trees	0	0	0	0	0	0
Total Trees	0	0	0	0	0	0
Commercial Production	9309000	9309000	9845000	9798424	0	10200000
Non-Comm. Production	0	0	0	0	0	0
TOTAL Production	9309000	9309000	9845000	9798424	0	10200000
TOTAL Imports	751	751	750	498	0	600
TOTAL SUPPLY	9309751	9309751	9845750	9798922	0	10200600
Domestic Fresh Consump	8572164	8572164	8995750	8995753	0	9325600
Exports, Fresh Only	272137	272137	350000	303169	0	350000
For Processing	465450	465450	500000	500000	0	525000
Withdrawal From Market	0	0	0	0	0	0
TOTAL UTILIZATION	9309751	9309751	9845750	9798922	0	10200600

Pear Trade Matrix Tables

Import Trade Matrix			
Country	China, Peoples Republic of		
Commodity	Pears, Fresh		
Time Period	July-June	Units:	Metric Ton
Imports for:	2002		**2003**
U.S.	0	U.S.	0
Others		Others	
New Zealand	714	New Zealand	498
Japan	35	Japan	0
Taiwan	2	Taiwan	0
Total for Others	751		498
Others not Listed	0		0
Grand Total	751		498

Export Trade Matrix			
Country	China, Peoples Republic of		
Commodity	Pears, Fresh		
Time Period	July-June	Units:	Metric Ton
Exports for:	2002		**2003**
U.S.	7141	U.S.	3730
Others		Others	
Indonesia	36159	Indonesia	59206
Malaysia	51456	Malaysia	42715
Russia	29536	Russia	36500
Hong Kong	26569	Hong Kong	34069
Vietnam	34675	Vietnam	28970
Thailand	2230	Thailand	19642
Singapore	24373	Singapore	15815
Philippines	13714	Philippines	10676
Canada	10132	Canada	8735
Netherlands	10258	Netherlands	8459
Total for Others	239102		264787
Others not Listed	25894		34652
Grand Total	272137		303169

Pear Average National Chinese Export Price Table

Prices in the table below reflect average monthly Chinese export prices from all ports for all pears and quinces in the Harmonized Tariff Schedule category 080820 (including Ya, Snow, Fragrant, and Other).

Prices Table			
Country	China, Peoples Republic of		
Commodity	Pears, Fresh		
Prices in	US$ FOB China	per uom	Metric Ton
Year	2003	2004	% Change
Jan	240	260	8%
Feb	240	250	4%
Mar	250	330	32%
Apr	230	270	17%
May	280	270	-4%
Jun	260	270	4%
Jul	250	260	4%
Aug	270	NA	
Sep	260	NA	
Oct	300	NA	
Nov	290	NA	
Dec	300	NA	
Date of Quote	8/25/2004		

Ya Pear Wholesale Market and Ya and Snow Pear Export Price Comparison

The following table represents average wholesale market prices for Ya Pears in different regions throughout China along with average export prices for Ya and Snow Pears throughout China and in the principle export location for Ya Pears, Tianjin.

Regional Average Wholesale Market Prices for Ya Pears in $ per Kilogram									
	2002	2002	2003	2003	2003	2003	2004	2004	2004
Region	Jul.-Sep.	Oct.-Dec.	Jan-Mar.	Apr.-Jun.	Jul.-Sep.	Oct.-Dec.	Jan.-Mar.	Apr.-Jun.	July-Aug.
Central	0.06	0.13	0.18	0.22	0.20	0.15	0.18	NA	0.13
North	0.09	0.13	0.16	0.19	0.19	0.11	0.13	0.14	0.16
Northeast	0.22	0.17	0.17	0.21	0.29	0.16	0.19	0.19	0.13
South	NA	0.24	0.22	0.29	0.22	0.26	0.23	0.20	0.30
Southwest	0.14	0.12	NA	0.19	NA	NA	0.48	0.34	0.41
West	NA	0.07	0.11	0.17	0.11	0.09	0.21	0.23	0.19
China Export*	0.23	0.23	0.23	0.19	0.23	0.28	0.21	0.19	NA
Tianjin Export*	0.21	0.22	0.22	0.18	0.23	0.29	0.19	0.17	NA

Source: MOA; Central: Shanghai, Jiangsu, Henan, Anhui, Zhejiang, Hubei, Shaanxi; North: Shanxi, Shandong, Tianjin, Inner Mongolia, Beijing, Hebei; Northeast: Liaoning, Heilongjiang, Jilin; South: Fujian, Hunan, Guangxi, Jiangxi, Guangdong, Hainan; Southwest: Guizhou, Yunnan, Sichuan, Chongqing; West: Gansu, Ningxia, Xinjiang, Tibet *Export of 08082012 Ya and Snow Pears

Grapes

PSD Table						
Country	China, Peoples Republic of					
Commodity	Grapes, Table, Fresh				(HA)(MT)	
	2002	Revised	2003	Estimate	2004	Forecast
	USDA Official [Old]	Post Estimate [New]	USDA Official [Old]	Post Estimate [New]	USDA Official [Old]	Post Estimate [New]
Market Year Begin		01/2003		01/2004		01/2005
Area Planted	380000	421000	390000	445000	0	460000
Area Harvested	0	0	0	0	0	0
Commercial Production	4900000	5175939	5000000	5600000	0	6200000
Non-Comm. Production	0	0	0	0	0	0
TOTAL Production	4900000	5175939	5000000	5600000	0	6200000
TOTAL Imports	57000	53411	57000	55000	0	60000
TOTAL SUPPLY	4957000	5229350	5057000	5655000	0	6260000
Domestic Fresh Consump	3750500	3765906	3800000	4085000	0	4585000
Exports, Fresh Only	6500	13444	7000	20000	0	25000
For Processing	1200000	1450000	1250000	1550000	0	1650000
Withdrawal From Market	0	0	0	0	0	0
TOTAL UTILIZATION	4957000	5229350	5057000	5655000	0	6260000

Grape Trade Matrix Tables

Import Trade Matrix			
Country	China, Peoples Republic of		
Commodity	Grapes, Table, Fresh		
Time Period	Jan-Dec	Units:	Metric Ton
Imports for:	2002		**2003**
U.S.	19479	U.S.	22028
Others		Others	
Chile	35289	Chile	31138
South Africa	0	South Africa	204
Mozambique	0	Mozambique	23
Indonesia	0	Indonesia	19
Thailand	76	Thailand	0
Total for Others	35365		31384
Others not Listed	0		0
Grand Total	54844		53412

Export Trade Matrix			
Country	China, Peoples Republic of		
Commodity	Grapes, Table, Fresh		
Time Period	Jan-Dec	Units:	Metric Ton
Exports for:	2002		**2003**
U.S.	0	U.S.	1
Others		Others	
Pakistan	776	Pakistan	3966
Russia	2083	Russia	2618
Vietnam	1241	Vietnam	1298
Malaysia	673	Malaysia	1290
Indonesia	213	Indonesia	761
Thailand	0	Thailand	676
Hong Kong	430	Hong Kong	629
Philippines	35	Philippines	507
Mongolia	71	Mongolia	431
Macau	0	Macau	391
Total for Others	5522		12567
Others not Listed	341		876
Grand Total	5863		13444

Grape Average National Chinese Export Price Table
Prices in the table below reflect average monthly Chinese export prices from all ports for all grape cultivars in the Harmonized Tariff System 080610.

Prices Table			
Country	China, Peoples Republic of		
Commodity	Grapes, Table, Fresh		
Prices in	US$ FOB China	per uom	Metric Ton
Year	2003	2004	% Change
Jan	310	390	26%
Feb	320	190	-41%
Mar	600	300	-50%
Apr	490	520	6%
May	630	530	-16%
Jun	370	340	-8%
Jul	250	320	28%
Aug	380	NA	
Sep	460	NA	
Oct	460	NA	
Nov	410	NA	
Dec	430	NA	
Date of Quote	8/25/2004		

Red Globe Grape Wholesale Market and All Grape Import Price Comparison
The following table represents average wholesale market prices for Red Globe Grapes in different regions throughout China along with average import prices for Red Globe Grapes throughout China and in the principle import location for Red Globe Grapes, Guangzhou.

Regional Average Wholesale Market Prices for Red Globe Grapes in $ per Kilogram									
	2002	2002	2003	2003	2003	2003	2004	2004	2004
Region	Jul.-Sep.	Oct.-Dec.	Jan-Mar.	Apr.-Jun.	Jul.-Sep.	Oct.-Dec.	Jan.-Mar.	Apr.-Jun.	July-Aug.
Central	1.90	1.17	1.94	1.95	1.59	1.74	2.89	3.05	2.92
North	0.98	1.50	2.35	2.46	2.35	1.87	2.08	1.82	2.09
Northeast	0.96	0.84	2.65	2.41	2.41	1.45	2.80	1.93	1.93
South	2.41	1.83	1.95	2.21	2.10	1.97	2.69	2.34	2.00
Southwest	NA	NA	NA	NA	NA	0.76	0.00	3.43	NA
West	0.54	0.43	1.20	3.19	1.63	0.70	1.17	2.85	NA
China Import*	0.60	0.59	0.62	0.76	0.96	1.09	1.10	1.08	NA
Guangzhou Import*	0.58	0.59	0.62	0.71	0.96	1.10	1.10	1.10	NA
Source: MOA; Central: Shanghai, Jiangsu, Henan, Anhui, Zhejiang, Hubei, Shaanxi; North: Shanxi, Shandong, Tianjin, Inner Mongolia, Beijing, Hebei; Northeast: Liaoning, Heilongjiang, Jilin; South: Fujian, Hunan, Guangxi, Jiangxi, Guangdong, Hainan; Southwest: Guizhou, Yunnan, Sichuan, Chongqing; West: Gansu, Ningxia, Xinjiang, Tibet; * HS 080610 Does not distinguish variety									

Historical Production Tables
2003 Fruit Production Comparison for Apples, Pears, Grapes, Citrus and Peaches

2003 Provincial Major Variety Fruit Production Comparison (1000 Ha and MT)										
	Apples		Pears		Grapes		Citrus		Peaches	
Province	1000 ha	MT	1000 ha	MT	1000 ha	MT	1000 ha	MT	1000 ha	MT
Beijing	13	134,815	13	130,766	5	63,053	0	0	17	264,585
Tianjin	7	68,069	4	25,851	6	140,060	0	0	4	49,071
Hebei	276	2,002,769	213	2,820,702	52	803,418	0	0	99	1,133,773
Shanxi	154	1,801,786	28	154,901	14	111,885	0	0	9	102,927
Inner Mongolia	19	51,940	14	93,020	4	20,789	0	0	0	0
Liaoning	115	1,089,937	86	515,892	37	586,124	0	0	19	229,149
Jilin	25	190,133	26	120,215	14	107,362	0	0	0	391
Heilongjiang	18	169,115	6	35,379	2	19,122	0	0	0	0
Shanghai	0	139	2	17,931	2	27,564	10	174,439	9	101,543
Jiangsu	39	494,611	44	502,033	11	140,777	3	54,143	30	317,105
Zhejiang	0	810	24	244,454	8	172,714	125	1,766,619	22	210,067
Anhui	17	221,317	37	583,091	8	161,600	2	10,793	15	167,674
Fujian	0	151	23	129,980	5	55,801	164	1,943,977	26	195,809
Jiangxi	0	0	22	45,181	2	3,631	186	619,887	9	26,994
Shandong	357	6,118,563	74	982,562	66	761,031	0	0	126	1,576,537
Henan	165	2,509,614	37	433,413	22	331,036	8	29,504	47	424,846
Hubei	4	13,458	41	563,895	6	57,415	110	1,240,592	38	404,180
Hunan	0	0	24	70,750	10	36,944	260	1,727,712	17	74,305
Guangdong	0	0	6	38,760	0	0	150	1,351,484	0	61,173
Guangxi	0	0	13	82,088	9	94,210	122	1,521,327	11	72,172
Hainan	0	0	0	0	0	0	3	14,549	0	0
Chongqing	3	6,441	24	142,901	3	17,413	96	752,374	8	46,295
Sichuan	27	225,384	71	547,714	11	144,409	192	1,861,568	29	269,816
Guizhou	5	9,262	31	97,867	3	15,895	34	149,820	11	54,254
Yunnan	34	13,414	40	176,285	5	42,606	25	133,128	17	95,803
Tibet	1	5,577	0	464	0	0	0	0	0	850
Shaanxi	402	4,617,921	57	689,816	11	89,925	17	98,601	19	153,007
Gansu	168	829,959	51	286,128	9	63,343	0	3,192	12	75,254
Qinghai	4	8,246	1	4,418	0	74	0	0	0	340
Ningxia	20	154,927	3	12,430	7	41,407	0	0	4	8,241
Xinjiang	28	263,418	48	249,537	92	1,066,331	0	0	9	31,939
National Total	1,901	21,001,776	1,062	9,798,424	421	5,175,939	1,506	13,453,709	607	6,148,100
Source: China Agricultural Yearbooks										

1999-2003 China Apple, Pear, and Grape Production (1000 Ha and MT) by Province

Apples

China Apple Production (1000 Ha and MT) by Province 1999-2003										
Province	1999		2000		2001		2002		2003	
	1000 ha	MT	1000 ha	MT	1000 ha	MT	1000 ha	MT	1000 ha	MT
Shandong	498.20	6,432,745	444.30	6,476,586	397.68	6,163,790	369.00	5,000,017	357.30	6,118,563
Shaanxi	413.63	3,992,705	395.46	3,885,700	374.29	3,912,713	369.00	3,921,630	401.50	4,617,921
Henan	240.69	2,427,717	207.00	2,388,997	180.20	2,524,083	168.30	2,603,588	164.50	2,509,614
Hebei	341.13	1,871,157	328.30	1,806,155	316.50	1,845,447	288.30	1,965,571	276.40	2,002,769
Shanxi	187.70	1,748,293	177.90	1,629,575	164.73	1,551,595	158.40	1,724,180	154.10	1,801,786
Liaoning	209.00	1,469,839	195.10	1,231,479	161.90	1,134,657	131.90	1,005,142	115.10	1,089,937
Gansu	195.00	629,027	167.60	690,671	165.90	723,901	163.50	776,004	167.50	829,959
Jiangsu	63.60	679,626	49.60	695,294	47.73	680,191	46.70	614,555	38.90	494,611
Xinjiang	36.20	246,838	34.60	299,673	31.17	270,983	30.40	250,396	27.80	263,418
Sichuan	28.70	186,798	28.60	202,283	26.90	193,972	25.70	206,909	26.80	225,384
Anhui	24.74	308,521	23.60	302,040	20.68	259,680	17.90	296,552	17.10	221,317
Jilin	18.83	114,604	24.07	100,543	22.20	97,164	26.10	168,372	25.30	190,133
Heilongjiang	32.20	96,962	28.60	112,086	25.20	109,689	28.80	183,067	18.40	169,115
Ningxia	23.67	170,536	21.73	159,462	20.91	126,642	20.40	124,682	20.40	154,927
Beijing	18.90	151,717	18.00	157,654	16.00	153,174	13.50	144,392	13.20	134,815
Tianjin	11.72	81,039	10.40	79,466	9.31	68,424	8.30	67,056	7.30	68,069
Inner Mongolia	23.80	41,757	23.94	46,853	20.90	43,081	16.50	40,350	18.80	51,940
Hubei	11.04	30,447	9.00	30,224	6.80	21,800	4.30	12,388	4.20	13,458
Yunnan	45.10	85,919	50.30	101,105	42.28	103,496	37.30	104,816	33.70	13,414
Guizhou	7.20	7,010	8.08	7,675	7.70	7,854	7.40	9,406	4.80	9,262
Qinghai	4.11	15,897	4.00	14,144	3.91	9,661	3.90	9,078	3.90	8,246
Chongqing	2.20	5,688	2.25	7,020	1.98	6,226	1.80	6,225	2.70	6,441
Tibet	1.00	5,506	1.05	5,299	0.83	5,405	0.50	5,072	0.60	5,577
Zhejiang	0.40	1,036	0.33	845	0.24	936	0.20	1,100	0.20	810
Fujian	0.20	257	0.20	380	0.20	311	0.10	302	0.00	151
Shanghai	0.00	0	0.00	21	0.01	111	0.10	135	0.00	139
Jiangxi	0.00	0	0.00	0	0.00	0	0.00	0	0.00	0
Hunan	0.00	0	0.00	0	0.00	0	0.00	0	0.00	0
Guangdong	0.00	0	0.00	0	0.00	0	0.00	0	0.00	0
Guangxi	0.00	0	0.00	0	0.00	0	0.00	0	0.00	0
Hainan	0.00	0	0.00	0	0.00	0	0.00	0	0.00	0
National Total	2438.96	20,801,641	2254.01	20,431,230	2066.00	20,014,986	1938.30	19,240,985	1,900.50	21,001,776
Source: China Agricultural Yearbooks										

Pears

Pear Production (1000 Ha and MT) by Province 1998-2003										
	1999		2000		2001		2002		2003	
Province	1000 ha	MT	1000 ha	MT	1000 ha	MT	1000 ha	MT	1000 ha	MT
Hebei	221.80	2,509,805	218.70	2,551,647	211.50	2,445,536	211.7	2,662,875	213.1	2,820,702
Shandong	73.50	857,807	60.30	911,298	62.96	961,234	64.1	829,821	74.1	982,562
Shaanxi	52.01	432,356	55.58	458,306	57.95	451,236	57.2	460,171	57.3	689,816
Anhui	31.15	492,525	34.40	616,192	34.72	672,389	36.7	767,482	36.5	583,091
Hubei	54.12	541,856	56.10	633,197	52.80	676,761	50.8	677,021	40.9	563,895
Sichuan	34.20	272,066	48.20	344,472	52.30	394,805	61.9	469,702	71.2	547,714
Liaoning	82.50	424,605	85.70	455,404	87.60	509,942	85.5	412,724	85.5	515,892
Jiangsu	38.20	361,118	38.60	390,137	39.71	462,768	43.7	519,451	44.2	502,033
Henan	28.77	263,003	31.00	333,000	32.80	395,919	35.5	479,640	36.7	433,413
Gansu	57.30	222,097	54.50	245,941	52.40	266,001	50.6	266,254	51	286,128
Xinjiang	28.60	198,148	33.90	194,879	42.67	226,967	45.8	308,989	47.7	249,537
Zhejiang	12.80	114,341	16.65	147,563	19.40	188,737	22.1	147,842	24.1	244,454
Yunnan	38.90	152,099	45.60	158,112	40.90	157,491	38.7	161,000	39.7	176,285
Shanxi	30.60	118,816	31.20	128,577	29.78	139,782	30.3	104,019	27.9	154,901
Chongqing	13.10	53,376	15.11	76,251	18.20	89,316	21.2	100,777	24.4	142,901
Beijing	9.40	98,075	10.00	102,693	10.28	115,197	12.1	125,009	12.5	130,766
Fujian	19.30	81,307	20.90	96,394	21.90	110,029	22.2	125,032	22.5	129,980
Jilin	36.06	136,699	39.95	140,779	36.30	75,508	30.6	200,593	26.3	120,215
Guizhou	15.60	46,114	18.34	47,677	25.30	66,606	28.4	82,385	31	97,867
Inner Mongolia	30.20	111,872	27.14	109,605	23.56	103,160	15.1	93,676	13.6	93,020
Guangxi	9.80	67,818	10.20	60,863	11.50	64,528	12	69,819	13.3	82,088
Hunan	14.80	27,293	16.30	35,558	20.20	55,348	20.9	63,237	24.1	70,750
Jiangxi	21.00	38,899	23.60	42,109	19.20	42,790	21.3	48,795	21.8	45,181
Guangdong	8.37	36,892	8.52	42,144	8.00	37,097	7.5	40,318	6.3	38,760
Heilongjiang	6.60	29,804	5.76	26,250	5.27	27,965	6.8	44,863	5.7	35,379
Tianjin	3.74	20,075	3.71	30,172	4.53	27,991	4.2	22,863	4.1	25,851
Shanghai	0.90	16,298	1.10	17,369	1.30	15,752	1.9	12,752	2.1	17,931
Ningxia	2.34	10,114	2.47	9,058	2.25	9,071	2.4	6,707	2.6	12,430
Qinghai	1.02	5,931	1.10	5,963	1.06	5,525	1.1	5,228	1.2	4,418
Tibet	0.10	492	0.11	803	0.09	646	0.1	387	0.1	464
Hainan	0.00	0	0.00	0	0.00	0	0	0	0	0
National Total	976.78	7,742,331	1,014.7	8,412,413	1,026.0	8,796,097	1,042.4	9,309,432	1,061.5	9,798,424
Source: China Agricultural Yearbooks										

Grapes

Grape Production (1000 Ha and MT) by Province 1999-2003										
	1999		2000		2001		2002		2003	
Province	1000 ha	MT	1000 ha	MT	1000 ha	MT	1000 ha	MT	1000 ha	MT
Xinjiang	41.30	610,415	59.10	683,645	70.55	661,524	87.9	908,069	91.7	1,066,331
Hebei	39.40	447,002	42.80	523,601	46.34	580,139	51.5	758,280	52.1	803,418
Shandong	29.20	362,593	36.50	475,325	49.67	619,141	54.6	640,723	65.9	761,031
Liaoning	20.80	307,457	27.80	430,282	29.70	396,991	35.6	522,061	37.4	586,124
Henan	12.24	182,392	16.80	208,280	18.15	280,331	20.4	304,982	21.6	331,036
Zhejiang	4.60	97,346	5.14	114,569	6.20	132,849	7.1	145,171	8.2	172,714
Anhui	3.54	48,868	4.60	56,156	5.06	76,062	8	100,306	7.6	161,600
Sichuan	6.40	97,005	7.70	116,037	9.10	120,980	9.8	133,709	11.1	144,409
Jiangsu	5.90	77,060	5.90	87,697	8.10	114,568	9.9	133,564	10.8	140,777
Tianjin	4.02	76,547	5.27	102,201	6.00	114,154	5.7	137,909	5.9	140,060
Shanxi	6.20	36,411	7.10	50,564	9.40	70,236	14	90,686	13.7	111,885
Jilin	9.30	52,814	11.82	65,716	9.75	62,618	12.7	79,268	13.8	107,362
Guangxi	2.70	25,455	5.20	39,427	7.80	63,058	8.6	79,197	8.6	94,210
Shaanxi	4.38	37,669	5.31	41,550	6.87	58,206	10.3	61,896	11.4	89,925
Gansu	3.00	20,150	4.20	22,194	6.87	32,008	8.8	52,442	9.4	63,343
Beijing	1.90	23,070	3.10	33,961	4.08	43,361	4.8	50,972	4.5	63,053
Hubei	5.27	70,952	5.10	74,788	4.90	68,301	4.9	59,850	5.7	57,415
Fujian	2.20	32,449	2.60	38,702	3.10	39,291	3.9	48,775	4.5	55,801
Yunnan	2.60	15,599	3.80	17,746	6.30	25,414	4.9	34,539	5.3	42,606
Ningxia	4.18	6,577	5.42	8,959	6.61	20,582	7	22,639	7	41,407
Hunan	3.40	14,960	4.00	18,764	5.30	24,218	8.3	28,850	9.8	36,944
Shanghai	1.10	22,007	1.10	23,124	1.39	23,921	1.8	26,140	1.5	27,564
Inner Mongolia	2.60	14,867	3.05	15,853	5.04	16,004	3.6	14,408	3.5	20,789
Heilongjiang	1.50	7,249	2.02	9,611	1.64	10,513	1.6	14,506	2.1	19,122
Chongqing	1.00	9,142	1.17	9,917	1.47	10,493	1.7	12,137	2.6	17,413
Guizhou	2.50	9,077	3.54	10,241	3.20	11,306	3.2	14,708	3.4	15,895
Jiangxi	2.00	2,892	2.90	2,681	1.76	3,294	1.8	3,560	1.8	3,631
Qinghai	0.01	106	0.00	107	0.02	117	0	106	0.1	74
Guangdong	0.00	0	0.00	0	0.00	0	0	0	0	0
Hainan	0.00	0	0.00	0	0.00	0	0	0	0	0
Tibet	0.00	0	0.00	0	0.00	0	0	0	0	0
National Total	223.24	2,708,127	283.04	3,281,698	334.00	3,679,680	392.4	4,479,453	421	5,175,939
Source: China Agricultural Yearbooks										

Consumption Tables
Urban Resident Per Capita Income and Expenditures

Urban Resident Per Capita Income and Expenditures by Region in 2002 by Value in (RMB)											
Region	Income		Expenditures								
	Total Income	Disposable Income	Living Expenses	Food Products	Dried or Fresh Fruit & Melons	Meat, Poultry, & Related	Eggs	Aquatic Products	Dining Out	Fruit as a % of Living	Fruit as a % of Food
Average	8,177	7,703	6,030	2,272	168	455	59	170	414	2.8%	7.4%
Beijing	13,252	12,464	10,285	3,472	313	566	70	163	853	3.0%	9.0%
Shanghai	14,396	13,250	10,464	4,120	295	633	68	592	819	2.8%	7.2%
Zhejiang	12,682	11,716	8,713	3,474	232	457	48	553	879	2.7%	6.7%
Guangdong	11,961	11,137	8,988	3,460	216	852	46	365	860	2.4%	6.2%
Tianjin	9,839	9,338	7,192	2,607	215	427	87	232	540	3.0%	8.2%
Liaoning	6,941	6,525	5,343	2,075	205	386	74	173	210	3.8%	9.9%
Tibet	8,627	8,079	6,952	2,837	199	605	45	59	192	2.9%	7.0%
Fujian	9,861	9,189	6,632	2,881	197	609	65	546	348	3.0%	6.8%
Jilin	6,523	6,260	4,974	1,809	195	334	57	101	231	3.9%	10.8%
Xinjiang	7,453	6,900	5,636	1,913	182	421	44	54	375	3.2%	9.5%
Hunan	7,372	6,959	5,575	1,986	173	434	43	102	331	3.1%	8.7%
Guangxi	7,757	7,315	5,413	2,201	162	689	39	187	351	3.0%	7.4%
Shandong	8,158	7,614	5,596	1,928	161	332	75	121	345	2.9%	8.3%
Yunnan	7,690	7,241	5,828	2,423	160	474	49	71	603	2.7%	6.6%
Ningxia	6,409	6,067	5,105	1,774	158	308	35	41	336	3.1%	8.9%
Chongqing	7,663	7,238	6,360	2,419	156	574	65	98	450	2.4%	6.4%
Hebei	7,015	6,680	5,069	1,795	154	330	74	96	162	3.0%	8.6%
Jiangsu	8,739	8,178	6,043	2,442	154	496	66	241	401	2.5%	6.3%
Gansu	6,524	6,151	5,064	1,793	150	273	44	40	339	3.0%	8.4%
Heilongjiang	6,334	6,101	4,462	1,585	149	304	57	80	189	3.3%	9.4%
Sichuan	6,989	6,611	5,413	2,156	146	531	59	69	352	2.7%	6.8%
Shaanxi	6,747	6,331	5,378	1,833	140	254	46	49	449	2.6%	7.6%
Jiangxi	6,521	6,336	4,549	1,844	136	417	48	111	239	3.0%	7.4%
Inner Mongolia	6,341	6,051	4,860	1,532	133	305	44	40	230	2.7%	8.7%
Guizhou	6,107	5,944	4,598	1,789	132	431	41	42	277	2.9%	7.4%
Qinghai	6,499	6,171	5,043	1,851	128	382	41	49	297	2.5%	6.9%
Hainan	7,174	6,823	5,460	2,436	126	657	26	354	490	2.3%	5.2%
Hubei	7,142	6,789	5,609	2,088	120	390	51	115	432	2.1%	5.8%
Shanxi	6,528	6,234	4,711	1,531	120	225	64	35	207	2.5%	7.8%
Henan	6,516	6,245	4,505	1,517	110	294	63	38	211	2.4%	7.2%
Anhui	6,335	6,032	4,737	2,045	99	418	79	106	321	2.1%	4.9%
Source: 2003 China Statistical Yearbook, Table 10-15											

Per Capita 2002 Purchases by Urban Residents Per Capita Income Level

Per Capita Annual Purchases of Major Commodities of Urban Households by Level of Income (2002)								
Item/Consumption (kg)	Average	Lowest	Low	Lower Middle	Middle	Upper Middle	High	Highest
Fruits and Melons	56.6	31.7	44.5	51.0	57.9	64.2	70.7	74.7
Fruit Wine	0.2	0.1	0.2	0.2	0.3	0.3	0.4	0.4
Fresh Vegetables	116.5	102.7	109.1	112.7	116.1	122.0	127.2	126.6
Fish	9.6	5.7	7.1	8.1	9.4	10.7	12.4	14.5
Shrimp	1.3	0.4	0.6	0.9	1.2	1.7	2.4	2.7
Grain	78.5	83.3	82.3	79.6	77.7	77.8	76.8	71.4
Pork	20.3	15.7	18.3	20.0	20.8	21.6	22.8	22.4
Beef	1.9	1.2	1.6	1.8	2.1	2.2	2.2	2.2
Mutton	1.1	0.7	0.8	1.1	1.3	1.4	1.3	1.2
Poultry	9.2	5.2	7.0	8.1	9.2	10.4	11.9	13.3
Eggs, Fresh	10.6	8.4	9.8	10.5	10.7	11.1	11.6	11.1
Source: State Statistics Yearbook 2003, Table 10-12								

Per Capita Historical Purchases by Urban Residents Across Commodity Comparison

Per Capita Annual Purchases of Major Commodities of Urban Households							1990 to 2002
Item/Consumption (kg)	1990	1995	1999	2000	2001	2002	% Change
Fresh Fruits and Melons	41.11	44.96	54.21	57.48	59.9	56.52	37.48%
Nuts and Kernels	3.21	3.04	3.26	3.3	3.37	2.76	-14.02%
Fresh Vegetables	138.7	116.47	114.94	114.74	115.86	116.52	-15.99%
Pork	18.46	17.24	16.91	16.73	15.95	20.28	9.86%
Beef and Mutton	3.28	2.44	3.09	3.33	3.17	3	-8.54%
Poultry	3.42	3.97	4.92	5.44	5.3	9.24	170.18%
Aquatic Products	7.69	9.2	10.34	9.87	10.33	13.2	71.65%
Grain	130.72	97	84.91	82.31	79.69	78.48	-39.96%
Source: State Statistics Yearbook 2003, Table 10-10							